

Presbytery of the Western Reserve
PROPOSED Minimum Terms of Call for Installed Pastors 2018

The called relationship between pastor and congregation is a unique employment situation. Presbyterian calls occur between pastors and congregations who have discerned God's direction in creating a relationship of mutual ministry, and who have had that call validated and affirmed by the presbytery. Like other members of the Body of Christ, pastors are called to be servants of God. God calls pastors into service in a variety of settings each of which, when faithfully discerned, ought to be honored regardless of size or wealth of the congregation or specialized ministry. At the same time, faithful discernment of a call includes a practice of good stewardship of the resources of the whole of the denomination, not solely consideration of the preferences of a particular congregation. The connectional nature of Presbyterian call, and its initiation by God, preclude a purely economic or marketplace approach to the topic of compensation for pastors.

- The Board of Pensions allows pastors in non-installed positions (Interim, Covenant, Temporary, etc.) to choose from a menu of benefit options, including the traditional pastor's plan. The Committee on Ministry encourages churches to match the minimum terms (including benefits) even for non-installed teaching elders.
- The Board of Pensions deadline for Employer Agreements submitted through Benefits Connect is October 13.
<https://www.pensions.org/AvailableResources/FeaturedArticles/Pages/Employers-Start-Thinking-about-2018-Benefits.aspx>

PART I – INSTALLED PASTORS’ MINIMUMS

	<u>2017</u>	<u>2018</u>
	<u>Minimum</u>	<u>Minimum</u>
Sub-total (Total Income or Effective Salary)	\$46,109	\$47,500
Medical** (25% of effective salary in 2018)	\$ 11,297	\$11,875
Pension/Death/Disability (12.0%*** of Effective Salary)	<u>\$ 5,533</u>	<u>\$5,700</u>
Total Board of Pensions Dues†	\$16,830	\$17,575
Study Leave/Professional Development	\$ 780	\$1000
Mileage & Professional Expenses	<u>\$ 3,537</u>	<u>\$3500</u>
Total Reimbursed Expenses	\$ 4,317	\$4500
Total cost to the church	\$67,256	\$69,575

Vacation - One Month; Study Leave - Two weeks

The Cost of Living Adjustment for 2018 is expected to be 2.2%. For congregations whose pastors earn more than the minimum, the Committee on Ministry recommends at least a 2% increase in total salary.

Pastors and sessions may negotiate the distribution between cash salary, housing allowance, and any other optional items such as deferred income and SECA offset. *Please note that if SECA offset is offered, it is taxable income. However, it is not subject to Board of Pensions dues provided the church does not pay more than half of the pastor SECA expense. Please refer to the publication, "Understanding Effective Salary," available at www.pensions.org.*

**The minimum salary participation for medical dues for 2018 will be \$44,000.

***The minimum salary participation basis for pension and death and disability for 2018 will be \$14,050 (25% of the church wide median salary of \$56,200).

For pastors living in manses, manse value is the greater of fair market rental or 30% of all other compensation included in effective salary as defined by the Board of Pensions. This amount would be included in effective salary. **For pastors not living in a manse, housing allowance may "not exceed the fair rental value (FRV) of the home, including furnishings and appurtenances such as a garage plus the cost of utilities. IRC § 107(2)" (See www.irs.gov, then enter "Ministers' Housing Allowance" in the search field.)**

†Sessions may want to consider offering **dental** coverage through the Board of Pensions. Dues for 2017 vary based on the dental network through which you have coverage and the level of coverage you have. For more information, see the Board of Pensions website: <http://www.pensions.org/plansandprograms/optionalprograms/dentalplan/pages/default.aspx>

From guidelines approved in 1997: Continuing Education time and funding may be accrued up to six (6) weeks over a three (3) year period when it has been contracted for between the minister and the session. Ministers and sessions are encouraged to plan this time away carefully in terms of 1) the minister's study plans, and 2) the continuing well-being of the church (i.e., pulpit supply, pastoral care, etc.). Accumulated study leave may be combined with vacation for a total period of time away of no more than ten (10) weeks.

PART II: CERTIFIED CHRISTIAN EDUCATORS' MINIMUMS

	<u>2017 Minimum</u>	<u>2018 Minimum (@ 2% increase)</u>
Salary	\$35,020	\$35,800
3 weeks' vacation; 1 week study leave		
Benefits as negotiated		